



# Annual Report

Financial statement release for 2024

Un-audited Consolidated Financial Statements for 2024

# Business highlights 2024

**2.000+**

Companies in the  
Business Ecosystem

**30+**

Countries where  
Klappir's Products and Services are  
now available

**200+**

Dedicated Klappir's Employees  
(including the Partner Network)

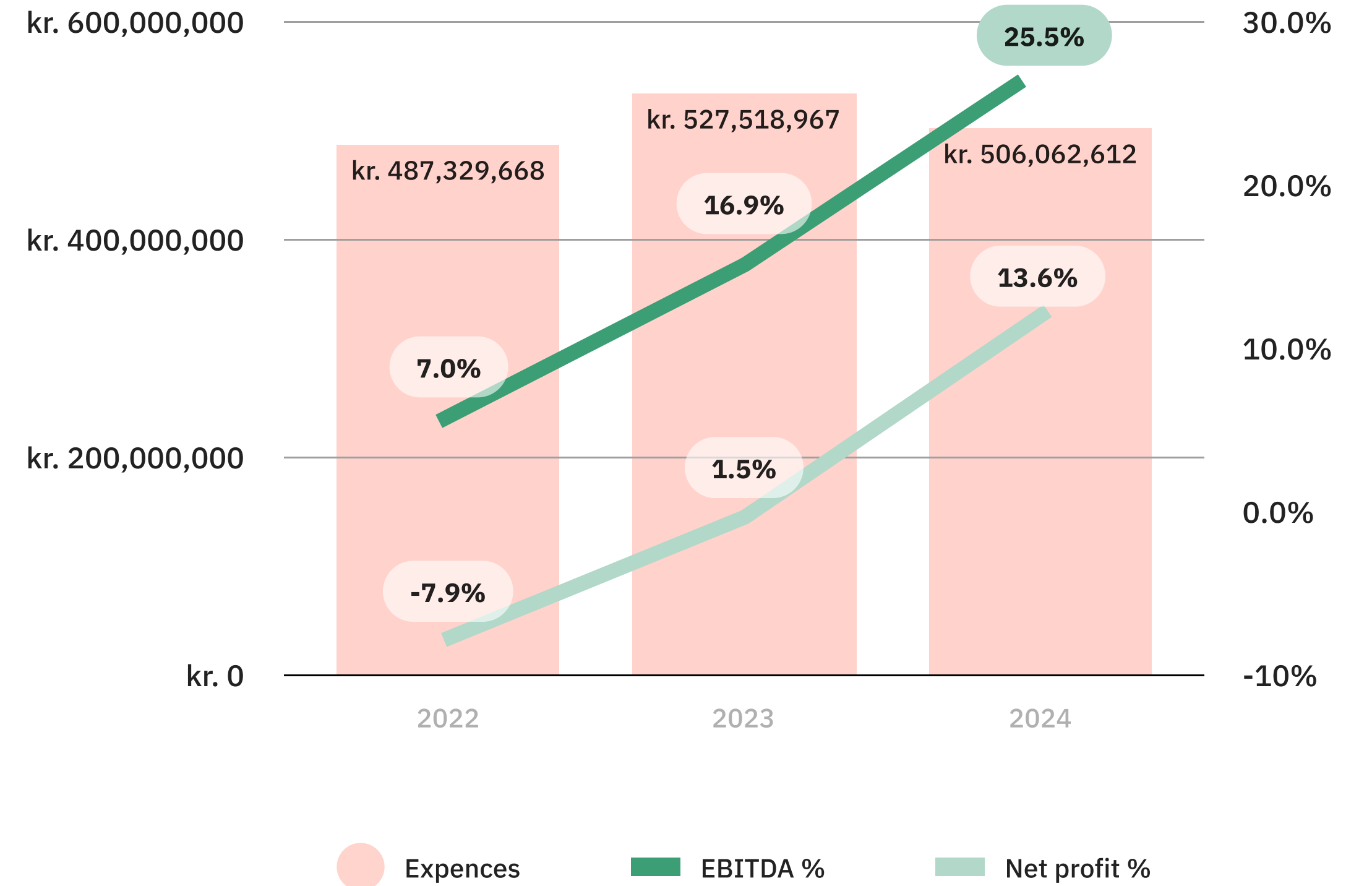
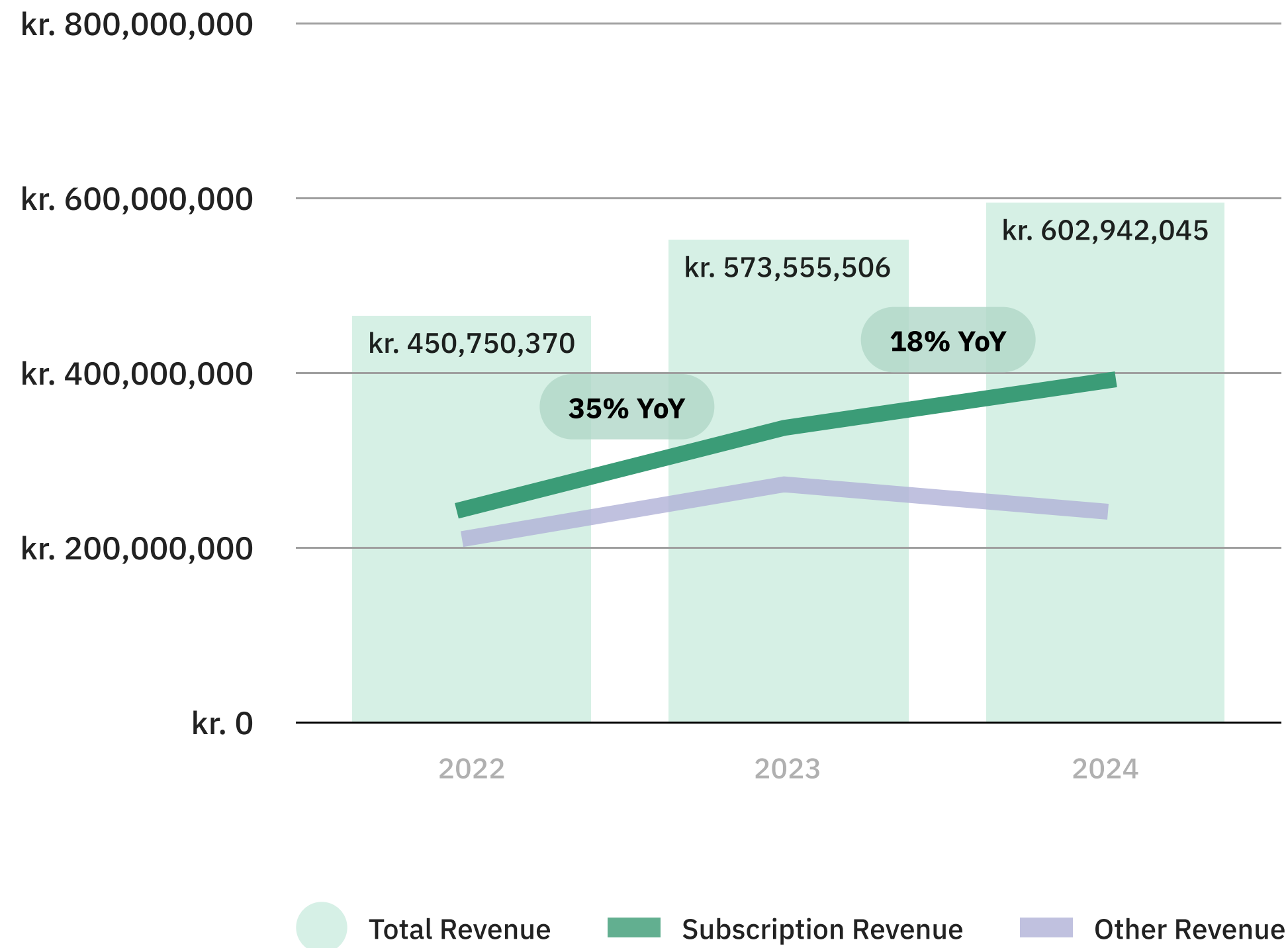
## Impact

- Klappir's ecosystem is expanding rapidly, now comprising over 2,000 companies in the Business Ecosystem, with growing opportunities in global markets. The company's global operations now extend to more than 30 countries.
- The global partner network is growing, now encompassing 30 partners who are steadily increasing Klappir's marketing presence and reach across various markets.
- Subscription revenue grew 18.2% year-over-year, reflecting strong performance across various markets.
- Subscription revenue was 64% of the total revenue compared to 54% in 2022.
- The operating profit was 97.0 million in 2024.
- The net profit was 81.4 million in 2024. If we include the periodical allocation of revenue the net profit is 31.8 millions.

## Financial

- Total revenue reached 602.9 million, reflecting an 5.1% increase from the previous year. Of this, subscription revenue accounted for 384.3 million, representing a 18.2% growth year-over-year.
- EBITDA was 153.9 million (25.5%) compared to 97.2 million (16.9%) in 2023 reflecting solid and efficient organisation.
- Operating profit (EBIT) was 97.0 million, compared with 46.0 million in 2023.
- Net profit was 81.4 million compared to 8.8 million in 2023. If we include the periodical allocation of revenue the net profit is 31.8 millions.
- Total assets were 913.4 million, compared with 804.9 million in 2023.
- Total liabilities were 504.5 million compared with 427.1 million in 2023.
- Equity ratio was 44.8%, compared with 46.9% in 2023.
- Cash and cash equivalents at the end of 2024 was 265 million.

# Revenue Progress



# Message from the CEO

**Jon Agust Thorsteinsson**

Despite uncertainty in the market for sustainability accounting and reporting, Klappir is coming out with a good year. The subscription revenue had an impressive 18.2% growth, and the EBITDA ratio is 25.5% of the total revenue. This positive performance comes despite a challenging economic climate, demonstrating the resilience and strength of Klappir's business model. Even with this challenging environment, we notice increasing interest in our sustainability software and a willingness from Nordic countries to start their sustainability journey. Companies are starting to understand the importance of implementing end-to-end sustainability solutions that create the technical environment for companies to fulfill compliance requirements and, at the same time, lead them further into their sustainability journey.

## **Strong Subscription Growth and Increased Customer Subscription Value**

The 2024 results show strong growth in subscription revenue, increasing 18.2% YoY. Additionally, average revenue per customer subscription is rising. This indicates increased user adoption within organizations and a growing recognition of sustainability's importance.

## **Healthy Operating Results Fuel R&D and Marketing Expansion**

A healthy 25.5% EBITDA margin strengthens the company's ability to invest in product innovation and market expansion. As the market evolves, it is increasingly important for companies to choose the right partner for the sustainability journey – one with a market-leading product and the capacity to adapt it to international requirements.

## **Partnership Strategy Boosts Sales, Shows Promising Scalability**

A strong focus on becoming a partner-first organization allows us to act locally and expand globally with our sustainability product. This go-to-market strategy not only helps us recruit new partners and expand our footprint in the market, but it also enables us to scale our business and improve efficiency.

## **Klappir's Sustainability Initiatives Make Impact in Brazil and Denmark**

As our global leadership and recognition in the sustainability sector grow, we are invited to participate in impactful projects that positively affect communities. Our projects in Brazil and Denmark exemplify our commitment to educating the market and implementing technical frameworks that help thousands of companies and individuals recognize sustainability as a key driver in our society.

## **New Subscription Plans Support Customer Sustainability Journeys**

In 2024, Klappir invested significant effort to align its product features with companies' sustainability journeys. These new offerings have been well-received by our customers, who can now better identify their position on the sustainability roadmap and set their ambitions for the coming years.

## **AI Simplifies Data Collection and Management**

Klappir foresees AI becoming a key driver in collecting and processing sustainability data, simplifying processes and increasing data quality. Klappir is investing heavily in this technology to maximize benefits for its customers and stay ahead of the curve in product innovation.

## **Predefined Customer Success Program Enhances Service Quality**

As our customer base and business partnerships grow, we've invested in predefined blueprints and best practices programs to enhance customer onboarding and elevate our customer success service levels. Additionally, we've established a customer advisory board to gather valuable feedback, strengthening our product roadmap

## **Redesigned UI and New Reporting Module Enhance User Experience**

Klappir has consistently invested a significant portion of its revenue into research and development to maintain product leadership in the sustainability sector and strengthen its position as a pure-play, product-led company. This strategic focus has resulted in continuous product improvement, including this year's UI redesign, a new reporting module, and numerous other released features”

# Income statements

For the period from January 1, 2024, to December 31, 2024.

ISK million	2024*	2024	2023	2023-24
<b>Income statement</b>				<b>Change</b>
Total revenue	602.9	602.9	573.50	5.1%
Allocation of revenue	(49.6)			
Net revenue	553.3	602.9	573.50	
Cost of service sold	(47.3)	(47.3)		
Gross profit	506.0	555.6	573.50	
Salaries and other employee expenses	(301.0)	(301.0)	(285.3)	5.5%
Other operating expenses	(100.7)	(100.7)	(191.0)	-47.3%
Amortisation and depreciation	(57)	(57)	(51.2)	11.2%
Operating profit	47.3	97.0	46.02	110.8%
Financial income	8.5	8.5	4.3	95.9%
Financial expenses	(37.7)	(37.7)	(35.1)	7.1%
Net currency difference	13.6	13.6	(7.50)	-280.0%
Profit before income taxes	31.8	81.4	7.76	948.6%
Income taxes	0.0	0.0	0.99	
<b>Net profit</b>	<b>31.8</b>	<b>81.4</b>	<b>8.8</b>	<b>830.0%</b>

ISK million	2024*	2024	2023	2023-24
<b>Financial highlights</b>				<b>Change</b>
Net revenue	553.3	602.9	573.6	5.1%
EBITDA	104.3	153.9	97.2	58.3%
EBITDA margin	18.8%	25.5%	16.9%	
EBIT margin	8.5%	16.1%	8.0%	
EBT margin	5.7%	13.5%	1.4%	
Net profit margin	5.7%	13.5%	1.5%	
Total assets	913.4	913.4	804.9	13.5%
Total liabilities	504.5	504.5	427.2	18.1%
Total equity and liabilities	913.4	913.4	804.9	13.5%
Cash and cash equivalents at the end of year	265.1	265.1	274.3	
<b>Share performance and capital allocation</b>				
Current ratio	3.6	3.6	6.2	
Equity ratio	44.8%	44.8%	46.9%	
Value of share capital - equity/share capital	2.9	2.9	2.7	

\* Shared figures pertain to consolidated figures. In 2023 Klappir subscription revenue was calculated both as monthly revenue and annual revenue. Starting from January 1, 2024, Klappir changed all subscription revenue calculations to be on a monthly basis, regardless of whether invoicing is monthly or annual (periodical allocation of the revenue)

# Balance sheet

as of December 31, 2024

ISK million	Note	2024*	2024	2023
<b>Non-Current Assets</b>				
Intangible assets	2	380.2	380.2	285.2
Operating assets	2	3.5	3.5	5.1
Deposits		1.4	1.4	1.4
Deferred tax assets		28.1	28.1	28.4
<b>Total non-current assets</b>		<b>413.2</b>	<b>413.2</b>	<b>320.1</b>
<b>Current Assets</b>				
Accounts receivable		21.3	21.3	16.4
Other short term receivables		213.8	213.8	194.1
Cash and cash equivalents		265.1	265.1	274.3
<b>Total current assets</b>		<b>500.2</b>	<b>500.2</b>	<b>484.8</b>
<b>Total assets</b>		<b>913.4</b>	<b>913.4</b>	<b>804.9</b>

ISK million	Note	2024*	2024	2023
<b>Equity and liabilities</b>				
Share capital		139.0	139.0	139.0
Share premium		478.2	478.2	478.2
Reserved equity		135.4	135.4	135.4
Accumulated deficit		(343.2)	(293.6)	(375.0)
Translation differences		(0.4)	(0.4)	0.55
<b>Total equity</b>	<b>1</b>	<b>408.9</b>	<b>458.6</b>	<b>378.2</b>
Long term loans		329.5	329.5	313.1
Owed to related parties		35.3	35.3	35.3
<b>Total non-current liabilities</b>		<b>364.8</b>	<b>364.8</b>	<b>348.4</b>
Account payables		24.6	24.6	22.4
Other short term liabilities		66.1	66.1	56.3
Pre-collected income		48.9	0.0	0.0
<b>Total current liabilities</b>		<b>139.6</b>	<b>90.7</b>	<b>78.7</b>
<b>Total liabilities</b>		<b>504.4</b>	<b>455.5</b>	<b>427.2</b>
<b>Total equity and liabilities</b>		<b>913.4</b>	<b>914.1</b>	<b>805.4</b>

\* New accounting principles

# Cash flow statement

for the period ended December 31 2024

ISK million	2024*	2024	2023
<b>Cash flow statement</b>			
Net profit	47.3	96.9	46.0
<b>Items not affecting cash flows:</b>			
Depreciation and amortisation	57.0	57.0	51.2
Loss (-profits) from sale of fixed assets	0.0	0.0	(19.8)
Change in working capital	104.3	153.9	77.4
Current receivable, (increase)/decrease	(24.6)	(24.6)	(20.4)
Current liabilities, increase/(decrease)	24.2	24.2	(8.4)
Interest received	8.5	8.5	4.3
Interest paid	(0.9)	(0.9)	(5.6)
Currency exchange rate differences	(0.1)	(0.1)	(7.5)
<b>Net cash generated from operating activities</b>	<b>111.4</b>	<b>111.4</b>	<b>39.9</b>
Purchase of intangible assets	(150.2)	(150.2)	(96.1)
Purchase of tangible assets (equipment)	(0.2)	(0.2)	0.0
<b>Net cash from investment activities</b>	<b>(150.5)</b>	<b>(150.5)</b>	<b>(80.5)</b>

ISK million	2024*	2024	2023
<b>Financing activities</b>			
Own shares, sold/(purchased)	0.0	0.0	20
Proceeds from sales of intangible assets	0.0	0.0	-4.4
<b>Net cash from financing activities</b>	<b>0.0</b>	<b>0.0</b>	<b>15.6</b>
<b>Changes in cash and cash equivalents</b>	<b>-9.0</b>	<b>-9.0</b>	<b>121.9</b>
Cash and cash equivalents at beginning of period	274.3	274.3	152.3
Effects of currency exchange rate difference	-0.2	-0.2	0.0
<b>Cash and cash equivalents at end of period</b>	<b>265.1</b>	<b>265.1</b>	<b>274.2</b>

\* New accounting principles

# Notes

## to the financial statements

### SHAREHOLDERS' EQUITY

	Share capital	Share premium	Restricted equity	Retained earnings	Total equity
<b>Equity at 01.01.2023</b>	139.353.700	482.279.200	113.010.584	(361.229.402)	373.414.082
Purchased own stock	(310.000)	(4.080.000)			(4.390.000)
Translation difference				(68.911)	68.911
Profit/(loss) for the period				8.754.277	8.754.277
<b>Equity at 31.12.2023</b>	139.043.700	478.199.200	113.010.584	(352.544.036)	377.709.488
Purchased own stock					0
Translation difference				(489.911)	(489.911)
Profit/(loss) for the period				31.718.817	31.718.817
<b>Equity at 30.06.2024</b>	139.043.700	478.199.200	113.010.584	(321.315.130)	408.938.354

### TANGIBLE AND INTANGIBLE ASSETS

	Goodwill	Research and development	Other tangible assets	Samtals
<b>Balance at 01.01.2023</b>	71.549.984	166.619.898	8.873.075	247.042.957
Purchased during the year		96.111.129		96.111.129
Sold during the year		(20.000.000)		(20.000.000)
Capital gain (loss) of sale of asset		19.830.435		19.830.435
Correction		(1.658.026)		(1.658.026)
The year's amortization/depreciation	(17.920.881)	(30.853.807)	(2.269.094)	(51.043.782)
<b>Balance at 31.12.2023</b>	53.629.103	230.049.629	6.603.981	290.282.713
Purchased during the year		150.236.700	236.058	150.472.758
The year's amortization/depreciation	(17.920.881)	(37.295.747)	(1.764.542)	(56.981.170)
<b>Balance at 30.06.2023</b>	35.708.222	342.990.582	5.075.497	383.774.301



# About Klappir

Klappir is a leading sustainability software company, founded in 2014 and headquartered in Iceland. Klappir stands out due to its comprehensive approach to operations, trusted experience, groundbreaking product portfolio, and strategic expansion into new markets. In a world increasingly focused on sustainability, Klappir is not only driving its own growth but also spearheading a transformative shift in how businesses align with the complex challenges of sustainability accounting and reporting.

Klappir has emerged as the foremost provider of sustainability software, offering an advanced platform thoroughly crafted to empower effective sustainability management across various sectors such as businesses, municipalities, and governments. The core of Klappir's offering lies in its ability to seamlessly facilitate engagement with sustainability data, enabling enhanced efficiency and well-informed decision-making.

As a leader in sustainability software solutions, Klappir holistic approach to operations, innovative product offerings, and strategic market expansion pave the way for Klappir to thrive in an increasingly sustainability-driven world. Klappir's visionary journey promises not only growth but also a transformative impact on how companies navigate and embrace the complexities of sustainability accounting and reporting.

Klappir B shares are listed on Nasdaq First North Iceland (KLAPP-B). For more information, visit [klappir.com](https://klappir.com)



 Klappir

[klappir.com](https://klappir.com) | [investors@klappir.com](mailto:investors@klappir.com)